

**HOWARD COUNTY RETIREMENT PLAN**  
**MEETING OF THE RETIREMENT PLAN COMMITTEE**

July 25, 2018

A meeting of the Retirement Plan Committee for the Howard County Retirement Plan (the "Employees Plan") was held on Wednesday, July 25, 2018 at 9:00 a.m. in the Columbia Room at the Ascend One Building, 8930 Stanford Boulevard, Columbia, Maryland 21045.

**Police and Fire Plan:**

**Members Present:**

Human Resources Administrator: Wanda Hutchinson  
Chief Administrative Officer's Designee: John Peterson  
Acting Deputy Director of Finance: Angie Price  
Budget Administrator Designee: Janssen Evelyn  
Employee Representative: Jeff Bronow  
Representative, American Federation of State, County and Municipal  
Employees Local 3085: Dale R. Chase

**Members Absent**

Representative, American Federation of State, County and  
Municipal Employees Local 3080: Kim Drennon

Also present for all or a portion of the meeting were:

Chief Administrative Officer: Lonnie Robbins  
Director of Finance: Janet Irvin  
Budget Director: Holly Sun  
Steve Peters, County Auditor's Office  
Sima Taghavi, Department of Finance  
Lori Buchman, Department of Finance  
Trevor Jackson, Summit Strategies Group  
Paul W. Madden, Whiteford, Taylor & Preston L.L.P. – Counsel to the Committees  
Teresa M. Reider, Retirement Coordinator  
Nike Yahaya, Retirement Aide, Office of Human Resources  
Jamar Herry, Office of Law

Wanda Hutchinson acted as Chair of the Meeting and Paul Madden acted as Secretary.

The meeting convened at 9:08 a.m. Although the meeting was scheduled as a joint meeting between the Committee for the Police and Fire Plan and the Committee for the Employees Plan, the meeting proceeded as a meeting of the Employees Plan only. The Committee for the Police and Fire Plan did not have a quorum.

Paul Madden provided the highlights of the annual meeting of the National Association of Public Pension Attorneys which he attended late June. Some of the issues addressed were: cyber security and cyber fraud, post-traumatic stress disorder as it impacts firefighters, federal Public Safety Officers' Benefits, the Public Employees Pension Transparency Act ("PEPTA"), unrelated business taxable income and setting actuarial assumptions for the Plan as a fiduciary exercise. Following the presentation, members present suggested that Paul Madden draft a letter to Representative Cummings stating the County's opposition to PEPTA.

Dale Chase noted that many high-functioning boards have a risk committee. After discussion, the Committee agreed to form a subcommittee to determine whether a risk committee would be appropriate for Howard County Retirement Plans. Dale Chase agreed to chair a small group which includes Janssen Evelyn, Angie Price and Wanda Hutchinson to look at this issue, as well as the issue of the need for additional staff to assist the Committees.

Wanda Hutchinson noted that Whiteford, Taylor & Preston was awarded the contract for legal services through the RFP process. Miles & Stockbridge was awarded the backup position. Mr. Madden thanked the Committee for their continuing confidence. Wanda also noted that the RFP for investment consultants will be posted in early August.

Next, Trevor Jackson provided an update of the private equity portfolio. The Master Trust committed \$167.5 million to 19 private equity funds of funds from 2007 through 2018. As of March 31, 2018, paid-in capital is equal to \$117.6 million which is 70% of total commitments. Private equity distributions total \$55.4 million. The private equity portfolio has achieved a 14.4% net internal rate of return (IRR) since inception.

The portfolio is well-diversified by both strategy and geography. The private equity portfolio now represents 10% of the overall portfolio which is the target allocation.

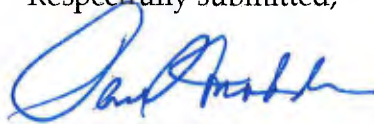
Trevor Jackson reviewed Summit Strategies' process for determining its top tier private equity fund of fund managers and made recommendations for \$10 million in commitments for the remainder of 2018. The recommendations are: \$4 million to Schroder Adveq Europe VII, \$1 million to Schroeder Adveq Direct Fund II and \$5 million to Neuberger Berman Crossroads XXII Special Situations. Trevor also noted that Greenspring, the venture capital fund of fund manager for the Master Trust is expected to have a single closing on a new fund at the end of 2018. Summit may recommend allocating a portion of the 2019 private equity budget to a Greenspring commitment in late 2018. Trevor noted that Schroder Adveq, Neuberger Berman and Greenspring are all existing managers in Howard County's private equity portfolio. The managers have met or exceeded expectations. Trevor also reviewed the private equity commitment model which shows commitments of \$10 million in 2018 and \$25 million in 2019. Any action on these recommendations requires a favorable vote by both Committees. Accordingly, the Committee decided to defer a vote on Summit's recommendations until the September meeting of the Joint Committee.

Next, Paul Madden and Wanda Hutchinson provided the report of the Emerging Markets Manager Search Subcommittee which met on July 18. The subcommittee's recommendation is a \$35 million allocation to GQG Partners. Any action on this recommendation requires a vote of both Committees; accordingly voting was deferred until the September meeting.

At 10:47 a.m., a motion was made by Dale Chase and seconded by John Peterson to close the meeting pursuant to General Provisions Article § 3-305(b) to consider the investment of public funds and to comply with a specific constitutional, statutory or judicially imposed requirement that prevents public disclosure about a particular matter or proceeding. Wanda Hutchinson, John Peterson, Angie Price, Janssen Evelyn, Jeff Bronow and Dale Chase voted in favor of the motion. Kim Drennon was absent; there were no abstentions or negative votes. The meeting was closed to hear the presentations from representatives of Schroder Adveq and 57 Stars and to discuss the investment philosophy and performance of the funds they manage. At 12:30 p.m., a motion to open the meeting was unanimously approved.

There being no further business, the meeting adjourned at 12:30 p.m.

Respectfully submitted,



Paul W. Madden  
Secretary of the Meeting

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